

DISCLAIMER

This electronic version of an SCC order is for informational purposes only and is not an official document of the Commission. An official copy may be obtained from the [Clerk of the Commission, Document Control Center](#).

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, DECEMBER 3, 1999

APPLICATION OF

APPALACHIAN POWER COMPANY

CASE NO. PUE990716

To revise its fuel factor
pursuant to Va. Code § 56-249.6

ORDER ON MOTIONS

On December 1, 1999, the Staff of the State Corporation Commission ("Staff") filed a motion requesting a general continuance in the above-captioned matter. In support of its motion, the Staff states that a hearing on Appalachian Power Company's ("Appalachian" or "the Company") application to decrease its fuel factor is presently set for December 15, 1999, and the date by which Protestants must file Protests and prepared testimony is today, December 3, 1999.

The Staff states that since the hearing date was scheduled, issues relating to Appalachian's treatment of SO₂ emission allowance costs have become more complex. The Staff filed, on December 2, 1999, a motion to strike the portion of the Company's application and supporting testimony that requests a change in its Definitional Framework of Fuel Expenses to permit SO₂ emission allowance costs to be recovered through the fuel factor.

Also on December 2, 1999, the Old Dominion Committee for Fair Utility Rates ("Old Dominion Committee") filed comments in support of the Staff's motion to continue this case generally. The Old Dominion Committee states that it not only needs additional time to examine the proper treatment of SO₂ emission allowance costs, but also requires additional time to examine and analyze other issues related to the Company's fuel costs.

Appalachian filed a response to the Staff's motion for continuance on December 2, 1999. The Company states that it does not oppose a reasonable extension of the procedural schedule in this matter, but urges the Commission to establish a schedule at this time. Appalachian states that the practicalities of the Commission's docket and the possibility of unnecessary delay of this proceeding justify its request.

Staff has asserted that the amount of time it requires to analyze the Company's application and testimony depends on the Commission's ruling on its motion to strike. We find this assertion to be reasonable based on the unprecedented nature of the Company's request to permit recovery of SO₂ emission allowance costs through the fuel factor mechanism. The Commission is interested in hearing from Appalachian and other interested parties on the Staff's motion to strike, and it therefore will permit the Company and other interested parties to respond to the Staff's motion.

In its December 2, 1999, response, Appalachian also requests that the Commission establish a discovery cut-off date. We will address this request in our order establishing a new procedural schedule.

The Commission intends to rule expeditiously on all of these matters, including the establishment of a procedural schedule, to ensure a prompt resolution of this case.

NOW THE COMMISSION, having considered the Staff's motion for continuance, the responses by Appalachian and the Old Dominion Committee, and the Staff's motion to strike, is of the opinion that Staff's motion for continuance is reasonable and should be granted. We also find that the Company and interested parties should be permitted to respond to the Staff's motion to strike, and the Staff may reply to any responses filed. Accordingly,

IT IS THEREFORE ORDERED THAT:

(1) Staff's motion for a continuance is hereby granted, and this case is continued generally until the Commission rules on Staff's motion to strike, at which time we will promptly establish an appropriate procedural schedule for this matter.

(2) On or before December 9, 1999, the Company and any interested parties may respond to the Staff's motion to strike.

(3) On or before December 14, 1999, the Staff may reply to any responses filed.

(4) The original hearing date of December 15, 1999, shall be retained for the purpose of hearing testimony from any public witnesses.